

HOW TO SUCCEED IN BUSINESS

I get quite a lot of books on self-help, on business, and on business and self-help across my desk. I rather weary of them: "If you can't do it, teach it or write about it" is my default position. How refreshing then to find the exception that proves the rule! Roger Harrop's little volume, *Win – How to Succeed in the New Game of Business*, makes up for what it loses in length (a mere 67 pages) with its pithy delivery of astute observations and words of wisdom.

Harrop has spent more than 25 years leading international businesses, including a plc.

Based in Oxford, he speaks widely on business leadership and reckons that more than 20,000 CEOs, business leaders and others across 38 countries have "achieved transformational change" through his thought-provoking and entertaining talks.

His experience spans many types of business, from start-ups to multi-nationals; from high-tech products to basic commodities; from people-based service businesses to not-for-profit organisations.

Roger spent seven years as Group



Chief Executive of a FTSE-quoted, high-tech industrial group, with 12 sites across four continents. The UK Government mentioned it in its Competitiveness White Paper. *Forbes* magazine included the group in its list of the top 100 overseas companies. Two business schools have used it as a benchmark case study on cultural



change and business re-engineering.

In this book Harrop argues that technological developments are levelling the playing field between small and big businesses. He suggests there's never been a better time to be fleet of foot in the marketplace and, I guess, a hare can accelerate far quicker than a tortoise.

I'd recommend any business leader to dip in and out of this one – and to engage in its messages by scanning the Q-codes and doing some of the exercises. I really liked the way it proves what we all suspected by providing the counter-intuitive figures to back us up. For example, did you realise that if you cut your price by ten per cent, you'll need to increase your sales volume by a staggering 50 per cent just to maintain your overall margin?

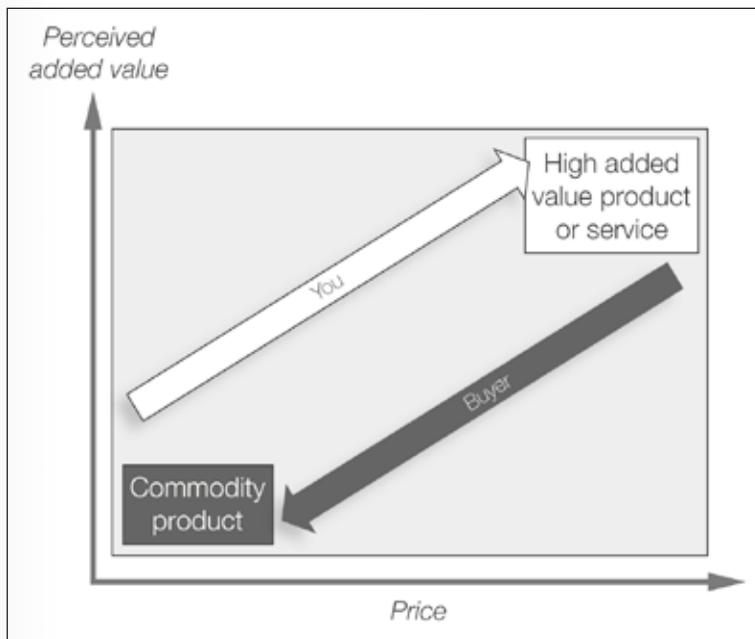
Following on from that, here's an extract from the chapter on selling.

Of course the other side of the coin is what happens if you put your prices up by ten per cent? Again, keeping the profit exactly the same, how many customers can you afford to lose?

The maths here is 25 per cent. Maybe you can lose those bad payers and some of those difficult customers. I think that makes for a much healthier business.

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Price Perception Matrix™



“IN MY EXPERIENCE, MOST OF US UNDERVALUE OURSELVES, AND PARTICULARLY THOSE OF US RUNNING SMALL BUSINESSES. IT’S TIME WE STOPPED!”

I used to work for BTR, which was one of the biggest corporations in the UK. If you were running one of their units, as I was, every year you were invited to London to meet with the CEO, Sir Owen Green, for a four-hour forensic examination of your budget.

I remember well that he would occasionally do a Colombo (the American TV detective) on me. I'd have my hand on the door on the point of leaving at the end of the four-hour meeting. A little smile would be appearing on his lips and he'd say, "Just one thing... What would happen if you put your prices up by one per cent at 9 o'clock tomorrow morning?"

Of course I would say, "Not a lot I suppose really." And he'd say, "Well, we'll do that then shall we?"

That's a fair question for anyone in business, and for you. What would happen if you put up your prices by one per cent tomorrow morning at 9 o'clock? Remember, there's something about price that doesn't apply to anything else. It goes straight on the bottom line to reinvest in the growth of your business.

In my experience, most of us undervalue ourselves, and particularly those of us running small businesses. It's time we stopped!

If you are having doubts, think about this. We know that

supermarkets, for example, vary. In the UK we are likely to find cheaper prices in Asda, Lidl or Aldi. So why is it that Waitrose does so well? We know, as we walk in the door of Waitrose that we are going to pay more money for the same basket of shopping. So why do we do it? We go there because of the relationship and what's called "customer intimacy" they have developed with us.

Those of us, like Asda or Lidl, who sell on price alone have to be driven by operational excellence and run our businesses with that driver pre-eminent.

Like Waitrose, however, most of us are in the business of "perceived added value" and that means we need to be charging premium prices for whatever it is that we do and particularly for the relationship we have with our customers. The attitude you need to have throughout your entire organisation is one of being proud to be doing an outstanding job. You need to be thinking, "We are giving outstanding value and we deserve higher prices."

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